

JUL 26 2004

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Dan Allen
Director of Product Engineering
North American Bus Industries, Inc.
106 National Drive
Anniston, AL 36207

NVS-215kjs

Dear Mr. Allen:

North American Bus Industries, Inc. (NABI) is requested to conduct a follow-up notification for safety recall 02V-332. This recall involves 1,474 MY 1998 through 2002 NABI 35' and 40' LFW (low floor) buses equipped with Diesel or LNG fuel systems which a crack can develop and propagate around the circumference of the bushing. The radius rod attachment could become loose and allow movement between the lower radius rod and rear axle. The remedy for this recall campaign is to inspect for cracks and either repair or replace the rear axle. Owner notification began on January 13, 2003.

Through the first quarter of 2004, NABI's fifth reporting quarter, NABI reports that of the 1,474 buses involved, only 796 have been remedied, resulting in a completion rate of 54 percent.

NABI should conduct the owner renotification in accordance with the guidelines listed below.

- Before conducting the owner renotification, NABI should obtain an updated owner list, for this recall campaign, based on current state motor vehicle registration records.
- NABI's proposed owner renotification letter for this recall must meet the requirements of 49 CFR Part 577.10, "Follow-up Notification," and must be submitted to NHTSA for review before owner renotification begins. Part 577.10(e)(1) specifically requires that the renotification letter be identified as a "... follow-up to an earlier communication."

- In addition to the six quarterly status reports required under 49 CFR Part 573.7, "Quarterly Reports," NABI is requested to file two additional quarterly status reports following the date that renotification occurs.
- Furnish a proposed schedule for conducting the owner renotification that includes the following information:
 - a. the date on which the search of current state motor vehicle registration records will be initiated in order to update the original owner list;
 - b. the estimated date on which the revised owner list will be available to initiate owner renotification;
 - c. the estimated date on which the owner renotification will begin; and
 - d. the estimated date on which the owner renotification will be completed (if the owner renotification is to be staggered, give the beginning and ending owner renotification date for each segment).

This request is sent pursuant to 49 CFR Part 577.10. NABI's response, including the requested information, must be submitted to this office by August 23, 2004.

If you have any questions concerning this matter, please contact Kelly Schuler of my staff at (202) 366-5227, by fax at (202) 366-7882, or by e-mail at kschuler@nhtsa.dot.gov.

Sincerely,

/s/

George Person, Chief
Recall Management Division
Office of Defects Investigation
Enforcement